

County of Santa Clara
Social Services Agency
Department of Fiscal & Administrative Services
Financial Management Services



SSA02 091509

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DATE: September 15, 2009

TO: Board of Supervisors

FROM: 
Will Lightbourne
Agency Director, Social Services Agency

SUBJECT: Adopt Salary Ordinance Amendment for the American Recovery and Reinvestment Act (ARRA) of 2009 – Temporary Assistance for Needy Families (TANF) Emergency Contingency Fund (ECF) to Delete Two Vacant Unclassified Accountant Assistant Positions and Add Two Unclassified Accountant III/II Positions in the Social Services Agency

RECOMMENDED ACTION

Introduction and preliminary adoption of Salary Ordinance No. NS-5.10.16 amending Santa Clara County Salary Ordinance No. NS-5.10 relating to the compensation of employees deleting two (2) vacant unclassified Accountant Assistant positions and adding two (2) unclassified Accountant III/II positions in the Social Services Agency. (Roll Call Vote to waive reading, Roll Call Vote to adopt)

FISCAL IMPLICATIONS

There is no negative fiscal impact to the County General Fund associated with the approval of the Recommended Action.

One-time nation-wide funding of \$5 billion was authorized for ARRA TANF ECF for the 24 month period October 1, 2008 through September 30, 2010, of which \$1.8 billion was allocated to California. The State approved funding for the Agency's initial funding request to draw down \$55,495,340 to cover 80% of ARRA TANF ECF expenditures for the period October 1, 2008 through September 30, 2010. The State will continue to accept funding requests to draw down additional ARRA TANF ECF funds throughout the federal funding period. ARRA TANF ECF funding requires the county to provide a 20% match. The 20% match is achievable as ARRA TANF ECF regulations permit third party expenditures as allowable match, such as vendors' reduced pricing for purchases, providers' expenditures incurred to provide services, and a proportional share of the Agency's current overhead and administration costs. In addition, current CalWORKs Single Allocation eligibility and employment expenditures can be used to achieve the 20% match requirement. The annual cost of the two (2) unclassified Accountant Assistant (U91) positions being deleted is \$169,392.00 and the annual cost for the two (2) Accountant III/II (U79) positions to be added is \$242,520.00. In FY 2010, the net annual cost for the Recommended Action is \$73,128.00 and the funding is included in the Agency's approved ARRA TANF ECF funding. In FY 2011, the ARRA TANF ECF Current Level Budget (CLB) appropriation for Object 2 - Services and Supplies will be reduced by \$173,128, and an corresponding Object 1 - Salaries and Benefits increase will occur to maintain a net zero budget impact.

CONTRACT HISTORY

Not Applicable.

REASONS FOR RECOMMENDATION

ARRA TANF ECF is "time-limited" funding for the period October 1, 2008 through September 30, 2010. Due to the time constraints associated with ARRA TANF ECF funding, the Agency developed conceptual program components and submitted an initial funding request on May 28, 2009 for \$55,495,340 and added thirty-seven (37) unclassified positions for the period July 1, 2009 through September 30, 2010 - - twenty-seven (27) positions within the Department of Employment and Benefits Services (DEBS) and ten (10) positions within Financial Management Services (FMS).

The May 28, 2009 staffing request was based on the Agency's initial ARRA TANF ECF program concept, the Accountant Assistant positions were to be "out-stationed" at four Agency district offices - - North County, South County, and two of the Senter Road Complex locations - - to issue immediate needs warrants. However, the Agency has completed the detailed program implementation plan which transitions the benefit issuance function to the Emergency Assistance Network (EAN) of providers. The transition of benefit issuance activities to the EAN providers across the County provides clients and families with income under 200% of the federal poverty level with greater access to services within their community and eliminates the need for FMS positions to be out-stationed at District Offices.

While utilizing the EAN providers to issuance benefits across the County will expedite distribution of assistance (i.e. rental subsidies, eviction/foreclosure prevention, move-in costs, utility shut off prevention and ongoing utility payment assistance, emergency shelter, emergency and ongoing food assistance, ongoing utility payments, and personal care items), this process will significantly increase the need and requirement for financial oversight to ensure adherence to the stringent federal and state ARRA TANF ECF financial requirements. The magnitude of the ARRA TANF ECF funding level, the enhanced regulatory financial requirements, and the complexity of financial and account management and auditing duties is not within the scope of the Accountant Assistant job specifications. The higher level duties to be performed by the unclassified Accountant III/II include planning, establishing, and administering the accounting and

oversight controls for Subsidized Employment payroll services, staffing agencies, community colleges, adult education programs, private sector employers, and county worksites; conducting financial audits of EAN providers' financial systems, ledgers and accounts, and providing technical assistance to revise practices and procedures to ensure compliance with ARRA regulatory requirements; and developing and maintaining separate and distinct Agency financial, accounting, and banking general and subsidiary ledgers, funds transfers and disbursements, expenditures and matching funds claims, and revenue reimbursement processes are within the job specifications of the Accountant III/II position. Consequently, the Agency is requesting the deletion of two (2) unfilled unclassified Accountant Assistant (U91) positions and the addition of two (2) unclassified Accountants III/II (U79) positions.

BACKGROUND

On May 28, 2009, the Agency submitted a request to the Children, Seniors & Families Committee (CSFC) to consider recommendations related to ARRA TANF ECF and to forward a favorable recommendation to the Board of Supervisors to recognize ARRA TANF ECF revenue and associated appropriation of \$55,495,340 for the period October 1, 2008 through September 30, 2010, to add thirty-seven (37) funded unclassified positions for the period July 1, 2009 through September 30, 2010, and to delegate authority to the Director of Social Services Agency to negotiate, execute, amend, and terminate contracts with various providers relating to ARRA TANF ECF for the period July 1, 2009 through September 30, 2010. CSFC forwarded a favorable recommendation to the Board of Supervisors. On June 9, 2009, the Board of Supervisors approved the recommended action.

The Agency's plan submitted to CSFC and forwarded to the Board of Supervisors for the ARRA TANF ECF funding of \$55,495,340 for the period October 1, 2008 through September 30, 2010 was:

• Basic/ Non-Recurrent Short Term Benefits	\$15,080,000
• Subsidized Employment Program Services	\$ 8,767,320
• Subsidized Employment Wages and Taxes	\$25,419,874
• County Staffing	\$ 4,841,809
• FY 2009 expenditures	<u>\$ 1,386,337</u>
	\$55,495,340

The twenty-seven (27) unclassified positions approved for DEBS will oversee and administer ARRA TANF ECF program services including managing and coordinating with employers, assisting employers to address concerns throughout the work transition phase, assist clients prepare and obtain equipment supplies and training to be successful in the workplace. In addition, DEBS would be responsible for serving the more than 17,000 clients eligible for ARRA TANF ECF Non-Recurrent Short-Term Benefits and Basic Assistance which include rental subsidies,

eviction/foreclosure prevention, move-in costs, utility shut off prevention and ongoing utility payment assistance, emergency shelter, emergency and ongoing food assistance, and assistance for personal care items and back to school expenses. The ten (10) unclassified positions approved for FMS are responsible for developing, implementing, and overseeing financial operations to ensure compliance with ARRA TANF ECF regulatory requirements. Specific areas of responsibility for FMS positions include planning, implementing, and administering accounting and financial structures for Subsidized Employment payroll services, staffing agencies, community colleges, adult education programs, private sector employers and county work sites. Additionally, FMS positions will be conducting financial audits of EAN providers' financial systems, ledgers and accounts, providing technical assistance to revise practices and procedures to ensure compliance, and developing and maintaining Agency financial and banking general and subsidiary ledgers, funds transfers and disbursements, expenditures and matching funds claims, and revenue reimbursement processes.

The Employee Services Agency (ESA) supports the Recommended Action. On August 17, 2009, SEIU Local 521 and the County Employees Management Association (CEMA) have been notified of the proposed action. CEMA concurs with the Recommended Action. As of September 1, 2009, SEIU has not provided any response to our notification.

CONSEQUENCES OF NEGATIVE ACTION

Negative action will result in delaying or preventing access to basic and emergency assistance, and employment opportunities leading to self-sufficiency for vulnerable families within the county.

STEPS FOLLOWING APPROVAL

The Clerk of the Board's Office is requested to send Keyboard notification of completed processing to Jeanne Gonzales, Social Services Agency, Financial Management Services.

ATTACHMENTS

- Salary Ordinance Amendment No. NS-5.10.16